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Testimony of Joseph U. Rose before the Finance, Revenue and Bonding Committee on
March 4, 2013 Re: SB 843

Hello my name is Joseph Rose. I am the President / CEO of the Propane Gas Association of New England. I am here today representing our 650 plus member companies, 91 of whom are CT based. Connecticut consumers purchase over 112 million gallons of propane annually and that quantity has risen over 18% in the past 5 years as propane has become more abundant, affordable and American produced. The US is a net exporter of propane and has been since 2011. Propane comes from the same wells that produce natural gas and is a byproduct of the refining of crude oil.

As an industry we support the goals of the Connecticut Energy Plan to assist consumers to use cleaner, more affordable (no energy is cheap!), American produced energy and propane is a vital component of that mix. Our industry has been working for many years promoting high efficiency appliances, heating equipment, and water heaters to lower the average consumption of our customers. In fact statistics show that these efforts have reduced the average consumption by almost 40%.

Our objection to portions of the CEP is the picking of winners and losers by the plan. Our belief and experience tell us that the free market works, and that consumers make educated choices that suit personal preferences. Section 18 of SB 843 picks a winner by allocating \$5 million dollars in each of the two years of this budget towards adding to the customer base of the natural gas utilities in areas where natural gas lines do not exist today! A \$10 million dollar investment with no predictable return on investment or furtherance of the goal of reducing energy consumption by these 20,000 Connecticut consumers. By modifying this section of SB 843 to allow 20,000 Connecticut consumers to receive \$500 for installing high efficiency heating equipment, on demand water heaters or adding insulation to their homes regardless of fuel type would allow an immediate return, be available to every citizen regardless of where they reside in the state and would even allow existing natural gas customers to upgrade to higher efficient appliances, reducing consumption and making more natural gas available for others!

We urge the committee to make this subtle but significant change to this \$10million dollar line item to benefit all Connecticut citizens not just the few that happen to live in the path of future natural gas expansion!

Thank you for allowing me to testify here today. I would welcome any questions.